

Message Text

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ORIGIN COME-00

INFO OCT-01 EUR-12 ISO-00 EB-08 DODE-00 SS-15 CIAE-00
PM-04 INR-07 L-03 ACDA-07 NSAE-00 PA-01 PRS-01 SP-02
USIA-06 TRSE-00 SAJ-01 OMB-01 /069 R

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STATE/EUR/RPM/PCOLLINS (PHONE)
DOD/ISA/NATO/CDRMCMICHAEL (PHONE)
S/S:RPERITO

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P 190345Z FEB 77
FM SECSTATE WASHDC
TO USMISSION NATO PRIORITY
INFO USCINCEUR
USNMR SHAPE

C O N F I D E N T I A L STATE 038890

E.O. 11652: GDS

TAGS: BEXP, MARR, NATO

SUBJECT: PRODUCT OPPORTUNITY - NICSMA ACCEDES TO
- ITALIAN REQUIREMENT FOR EIGHT WEEK DELAY IN
- SATCOM III CLOSING DATE OF 25 FEB 77

REF: USNATO 0841; USNATO 0695

1. THIS IS TO ADVISE THAT WE CONCUR WITH ACTIONS TAKEN TO
DATE BY THE MISSION IN ADDRESSING THE PROBLEM CONCERNING
EXTENSION OF BID CLOSING DATES FOR SATCOM III. CORPORATE
OFFICIALS OF FORD AEROSPACE AND COMMUNICATIONS (EX-
AERONUTRONIC FORD) AND HARRIS CORP WITH WHOM PROBLEM
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DISCUSSED HAVE CORRECTLY EXPRESSED DEEP CONCERN OVER TWO
DELAYS ACCORDED ITALY. THESE OFFICIALS APPRECIATE MISSION
EFFORTS TO ENFORCE EQUITABLE TREATMENT FOR BIDDERS, PARTI-
CULARLY SINCE NICSMA, PRIOR TO EXTENSIONS ACCORDED ITALY,
HAD EMPHATICALLY IMPRESSED UPON U.S. COMPANIES THE URGENCY
OF THE PROGRAM SCHEDULE. AN EXAMPLE OF NICSMA'S UNWILL-
INGNESS TO LET ANY ACTION SLIP WAS ITS DECLINATION OF A U.S.

REQUEST TO STRETCH OUT EARLY DELIVERY DUE DATES TO AVOID HIGH AIR FREIGHT DELIVERY COSTS; THE LATEST ACTION BY NICSAM OBVIOUSLY IS NOT CONSISTENT WITH RULES PRESCRIBED FOR FORD AND HARRIS.

2. LOVELAND'S OBSERVATIONS ARE WELL-MADE REGARDING NATO QUOTE BECOMING A CUSTOMER OF QUESTIONABLE INTEREST FOR HIGHLY QUALIFIED FIRMS WHERE EVIDENCE OF INORDINATE POLITICAL PRESSURE ON BEHALF OF A FIRM WHICH HAS NOT DONE ITS HOMEWORK CAN CAUSE UNACCEPTABLE RISKS FOR QUALIFIED BIDDER WHO MUST INVEST HEAVILY IN PREPARING EXTENSIVE BID PROPOSALS UNQUOTE. EVIDENCE OF STS LACK OF HOMEWORK AND RESULTANT INEQUITY FOR U.S. FIRMS HAS BEEN DEMONSTRATED THROUGH STS APPROACHES TO COMPANIES IN U.S. LATE DEC 76 TO ASCERTAIN ABILITY TO PURCHASE EQUIPMENT WHICH WOULD BE PART OF BID PACKAGE, AND FEB 77 REQUEST TO USDOC BY U.S. CONSULTANT FIRM FOR TECHNICAL DOCUMENTS LISTED IN SATCOM III SPECS TO ASSIST STS IN PREPARING ITS BIED

3. IN VIEW OF FOREGOING COMMENTS IT HAS BECOME SUSPECT WHETHER STS CAN BE READY TO MEET NEW BID DEADLINE IN EIGHT WEEKS AND THAT IT MAY REQUEST OTHER EXTENSIONS. FOR REASONS CITED IN REFERENCES MESSAGES AND THIS TELEGRAM, IT IS RECOMMENDED THAT THE MISSION DO WHAT IS NECESSARY TO EMPHASIZE TO NICSMA THAT THE UNITED STATES IS NOT WILLING TO ACCEPT ANY FURTHER DELAYS IN CLOSING THE BIDDING FOR SATCOM III.

4. ORIGINAL VALIDITY DATE IN SPECS WAS EIGHT MONTHS
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AFTER BID CLOSING DATE. WITH ORIGINAL BID CLOSING DATE EXTENDED TWO MONTHS, WE CONSIDER IT APPROPRIATE THAT NICSMA REQUIRE A VALIDITY DATE ONLY SIX MONTHS BEYOND NEW CLOSING DATE. THE MISSION SHOULD SO ADVISE NICSMA.

5. FYI. OFFICIALS OF HARRIS CORP. LEAVE U.S. FEB 19 FOR BRUSSELS FOR SCHEDULED MEETING WITH ADMIRAL BOYLES ON FEB. 22 TO DISCUSS SATCOM III PROBLEM.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MILITARY EQUIPMENT, PROPOSALS (BID)
Control Number: n/a
Copy: SINGLE
Sent Date: 19-Feb-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Source: CORE
Document Unique ID: 00
Drafter: BIC/OED/SIPS/WRHAYDEN/SG
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770059-1053
Format: TEL
From: STATE
Handling Restrictions: n/a
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Review Exemptions: n/a
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DATE OF 25 FEB 77
TAGS: BEXP, MARR, IT, US, NATO
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